

**FORREST M. BIRD CHARTER SCHOOLS, INC.**  
**SANDPOINT, IDAHO**

**Audited Financial Statements**  
**For the Years Ended June 30, 2014 and 2013**



# **FORREST M. BIRD CHARTER SCHOOLS, INC.**

**Sandpoint, Idaho**

**Audited Financial Statements  
For the Years Ended June 30, 2014 and 2013**



**FORREST M. BIRD CHARTER SCHOOLS, INC.**  
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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Forrest M. Bird Charter Schools, Inc.  
Sandpoint, Idaho 83864

We have audited the accompanying financial statements of Forrest M. Bird Charter Schools, Inc. (an Idaho nonprofit corporation) which comprise the statements of financial position as of June 30, 2014 and 2013 and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Forrest M. Bird Charter Schools, Inc. as of June 30, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Emphasis of Matter Regarding Going Concern**

The accompanying financial statements have been prepared assuming that the Forrest M. Bird Charter Schools, Inc. will continue as a going concern. As discussed in Note 10 to the financial statements, Forrest M. Bird Charter School's current liabilities exceed its current assets by \$368,139 which raises substantial doubt about its ability to continue as a going concern. Management's plans in regards to these matters are also described in Note 10. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.

*Hayden Ross, PLLC*

Moscow, Idaho  
October 21, 2014

**FORREST M. BIRD CHARTER SCHOOLS, INC.**  
Sandpoint, Idaho

**STATEMENTS OF FINANCIAL POSITION**  
June 30, 2014 and 2013

	<b>2014</b>	<b>2013</b>
<b>ASSETS</b>		
Current Assets		
Cash	1,037,332	118,848
State support receivable	82,713	72,024
Other receivable	-	2,745
Prepaid expenses	21,515	13,377
Total Current Assets	1,141,560	206,994
Fixed Assets		
Land and buildings	4,869,870	4,869,870
Fixtures and equipment	71,310	71,310
Less accumulated depreciation	(856,737)	(728,223)
Net Fixed Assets	4,084,443	4,212,957
Total Assets	\$ 5,226,003	\$ 4,419,951
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities		
Accounts payable	112,462	149,596
Salaries and benefits payable	223,266	216,475
Accrued interest	8,527	8,763
Deferred revenue	1,058,808	-
Current portion of long-term debt	106,636	102,347
Total Current Liabilities	1,509,699	477,181
Long-term liabilities, less current portion	3,226,061	3,334,243
Net Assets		
Unrestricted	402,799	536,439
Reserved for Debt Service	87,444	72,088
Total Net Assets	490,243	608,527
Total Liabilities and Net Assets	\$ 5,226,003	\$ 4,419,951

**FORREST M. BIRD CHARTER SCHOOLS, INC.**  
**Sandpoint, Idaho**

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**STATEMENTS OF ACTIVITIES**  
**For the Years Ended June 30, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
<b>Revenue, Grants, and Other Support</b>		
Federal support	41,302	40,572
State support	2,116,429	1,848,268
Interest	385	620
Other local	501,148	67,033
	<hr/>	<hr/>
Total Revenue, Grants and Other Support	2,659,264	1,956,493
	<hr/>	<hr/>
<b>Expense</b>		
Program (instructional)	1,341,591	1,230,904
Administrative (support)	1,058,777	656,710
Non-instructional	103,223	27,421
Depreciation	128,514	128,514
Interest on long-term debt	145,443	148,769
	<hr/>	<hr/>
Total Expense	2,777,548	2,192,318
	<hr/>	<hr/>
Change in net assets	(118,284)	(235,825)
	<hr/>	<hr/>
Net assets - beginning of year	608,527	844,352
	<hr/>	<hr/>
Net assets - end of year	<u>\$ 490,243</u>	<u>\$ 608,527</u>

**FORREST M. BIRD CHARTER SCHOOLS, INC.**  
Sandpoint, Idaho

**STATEMENTS OF CASH FLOWS**  
For the Years Ended June 30, 2014 and 2013

	<b>2014</b>	<b>2013</b>
<b>Cash Flows from Operating Activities</b>		
Cash received from state support	2,105,739	1,823,394
Cash received from federal support	44,047	41,191
Cash received from interest	385	620
Other cash received	1,559,956	67,033
Cash paid for interest	(145,679)	(143,750)
Cash paid to suppliers and employees	(2,542,072)	(1,742,711)
Net Cash Provided by Operating Activities	1,022,376	45,777
<b>Cash Flows from Financing Activities</b>		
Payment on long-term debt and fees	(103,892)	(105,819)
<b>Net Increase (Decrease) in Cash</b>	918,484	(60,042)
<b>Cash - Beginning of Year</b>	118,848	178,890
<b>Cash - End of Year</b>	\$ 1,037,332	\$ 118,848
Reconciliation of Change in Net Assets to Net		
Cash Provided by Operating Activities:		
Change in net assets	(118,284)	(235,825)
Adjustments to reconcile change in net assets		
to net cash provided by operating activities:		
Depreciation	128,514	128,514
Decrease (increase) in state support receivable	(10,690)	(24,874)
Decrease (increase) in other receivable	2,745	619
Decrease (increase) in prepaid expenses	(8,138)	857
Increase (decrease) in accrued interest	(236)	5,019
Increase (decrease) in accounts payable	(37,134)	126,960
Increase (decrease) in deferred revenue	1,058,808	-
Increase (decrease) in salaries and benefits payable	6,791	44,507
Net Cash Provided by Operating Activities	\$ 1,022,376	\$ 45,777

**FORREST M. BIRD CHARTER SCHOOLS, INC.**  
**Notes to the Financial Statements**  
**June 30, 2014 and 2013**

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**NOTE 1      Organization**

The Forrest M. Bird Charter Schools, Inc. (the School) is a non-profit state-funded public school. The school serves 6<sup>th</sup> through 12<sup>th</sup> grades. The school was approved in January 2001 by the Lake Pend Oreille School District Board of Trustees. The expansion to a high school was approved by the Lake Pend Oreille School District Board of Trustees in August of 2008.

**NOTE 2      Summary of Significant Accounting Policies**

**Restricted Support** - The School reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, either when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

The School reports gifts of land, buildings and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used.

**Basis of Accounting** - The School uses the accrual basis of accounting. Revenues are recognized as earned, and expenses are recognized when incurred.

**Cash** - The School has no requirement to hold cash in separate accounts.

**Accounts Receivable** - No allowance for uncollectible accounts is calculated by the School since all receivables were deemed to be collectible.

**Income Tax Status** - The School's Form 990, *Return of Organization Exempt from Income Tax*, for the years ending 2014, 2013, and 2012 are subject to examination by the IRS, generally for three years after they were filed.

**Fixed Assets** - The cost of fixed assets is depreciated over the estimated useful lives of the assets. The School has a capitalization threshold policy of \$5,000. Depreciation is computed on the straight-line method for financial reporting purposes. The useful lives of fixed assets for purposes of computing depreciation are 5 to 7 years for office furniture and equipment and 40 years for buildings. Depreciation expense for the years ending June 30, 2014 and 2013 was \$128,514 and \$128,514, respectively.

**Use of Estimates** - The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses, and actual results may differ from estimated amounts.

**Statement of Cash Flows** - For purposes of the Statement of Cash Flows, the School considers all highly liquid debt instruments with a maturity of three months or less to be cash equivalents.

**Reports Required by the State** - The income statements required by the State included in the supplemental information report the unrestricted activity. The General Fund accounts for activities for general operations. The Special Revenue Funds account for the activities from the grants the School received. The School Plant Facility Fund accounts for activities related to the building facilities used by the School.

**Subsequent Events** - Subsequent events have been evaluated through the date of the auditor's report. This is the date the financial statement were available to be issued. The School has concluded that no subsequent events have occurred.

**NOTE 3 Long-Term Debt**

Long-term debt for the School as of June 30, 2014 and 2013 consists of the following:

	<u>2014</u>	<u>2013</u>
United States Department of Agriculture (USDA) secured by land, building, and equipment, payable at \$3,614 per month including interest at 4.5%. The note matures January 2029.	462,454	484,470
United States Department of Agriculture (USDA) secured by land, building, and equipment, payable at \$1,065 per month including interest at 4.5%. The note matures March 2039.	190,217	194,336
Panhandle State Bank (PSB) secured by land, building, and equipment, payable at \$4,594.54 per month including interest. Interest is computed at a variable rate referenced to the prime rate as reported in the <i>Wall Street Journal</i> . The interest rate to be applied to unpaid principal will be at a rate of 2.0% over the prime rate. The interest rate at June 30, 2014 was 3.25%. The note matures December 2028.	639,530	673,461

United States Department of Agriculture (USDA) secured by land, building, and equipment payable at \$8,118 per month including interest at 4.25%. The note matures July 2040.	1,534,030	1,565,518
Mountain West Bank (MWB) secured by land, building, and equipment, payable at \$3,408.90 per month including interest at 5.49%. The note matures February 2035.	<u>506,466</u>	<u>518,805</u>
Total Long-term Debt	3,332,697	3,436,590
Less Current Portion	<u>(106,636)</u>	<u>(102,347)</u>
Net Long-term Debt	<u>\$3,226,061</u>	<u>\$3,334,243</u>

Future debt service is as follows:

**Fiscal Year End June 30,**

2015	106,636
2016	112,950
2017	117,731
2018	122,721
2019	127,929
2020 and thereafter	<u>2,744,730</u>
Total	<u>\$3,332,697</u>

**NOTE 4 Major Funding Sources**

The School received a majority of its revenue from the Idaho Department of Education.

	<b><u>2014</u></b>	<b><u>% of Total Revenue</u></b>
Idaho Department of Education	\$2,116,429	79.5%
	<b><u>2013</u></b>	<b><u>% of Total Revenue</u></b>
Idaho Department of Education	\$1,848,268	94.5%

**NOTE 5 Employee's Retirement System**

Public Employee Retirement System of Idaho (PERSI), The PERSI Base Plan, a cost sharing multiple-employer public retirement system, was created by the Idaho State Legislature. It is a defined benefit plan requiring that both the member and the employer contribute. The Plan provides benefits based on members' years of service, age, and compensation. In addition, benefits are provided for disability,

death, and survivors of eligible members or beneficiaries. The authority to establish and amend benefit provisions is established in Idaho Code. Designed as a mandatory system for eligible state and school district employees, the legislation provided for other political subdivisions to participate by contractual agreement with PERSI. After 5 years of credited service, members become fully vested in retirement benefits earned to date.

Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. For each month of credited service, the annual service retirement allowance is 2.0% of the average monthly salary for the highest consecutive 42 months. PERSI issues publicly available stand alone financial reports that include audited financial statements and required supplementary information. These reports may be obtained from PERSI's website [www.persi.idaho.gov](http://www.persi.idaho.gov).

The actuarially determined contribution requirements of the School and its employees are established and may be amended by the PERSI Board of Trustees.

For the year ended June 30, 2014, 2013, and 2012, the required contribution rate as a percentage of covered payroll for members was 6.79%. The employer rate as a percentage of covered payroll was 11.32%. The School's contributions required and paid were \$141,700, \$109,942 and \$96,169 for the years ended June 30, 2014, 2013, and 2012, respectively.

**NOTE 6      Concentration of Credit Risk**

Forrest M. Bird Charter Schools, Inc. maintains five checking accounts at a single bank. The Federal Deposit Insurance Corporation (FDIC) insures up to \$250,000 at an institution for fiscal year-end 2014 and 2013. At fiscal year-end 2014 cash exceed FDIC insurance by \$798,349. At fiscal year-end 2013 cash did not exceed the FDIC insurance limit.

**NOTE 7      Reserved Net Assets**

The United States Department of Agriculture (USDA) loaned monies to the Forrest M. Bird Charter Schools Inc. for the construction of the high school building. One of the requirements of the loans is a debt service reserve account be established and funded by the School at a rate of one-tenth of the annual payment per year until a total of one annual payment has been accumulated. As of June 30, 2014 and 2013, the reserve amounts required by the USDA are \$87,444 and \$72,088, respectively.

**NOTE 8      P-TECH Operating Agreement**

On July 12, 2013 Forrest M. Bird Charter Schools (FBCS) entered into an operating agreement with Pathways in Technology Early College High School (P-TECH)

Network of Idaho, LLC, to help provide early college access and professional technical training to high school students in Idaho no matter their physical location. FBCS will serve as the sole member of P-TECH and will operate as an exempt organization under Section 501(c)(3) of the Internal Revenue Code. P-TECH shall operate as an independent entity separate from FBCS and any other entity and is required to be governed by a Board of Managers separate from the FBCS. FBCS will have one representative on the P-TECH Board of Managers. FBCS will provide support services for P-TECH including IT support, accounting services, institutional expertise, and education capabilities. FBCS may bill P-TECH for such services.

## **NOTE 9      Going Concern Consideration**

As of June 30, 2014 Forrest M. Bird Charter School's (FBCS) current liabilities of \$1,509,699 exceed its current assets of \$1,141,560 by \$368,139. The effect of this situation is that FBCS may not have enough current assets to cover its current obligations if the obligations come due before FBCS collects more current assets. This factor raises doubt about FBCS's ability to continue as a going concern.

The Board of Directors and management are aware of the situation. The school is expecting to increase revenue in the near future by maintaining enrollment for the 2014-2015 school year which will give them an increase due to the increase in state support. Also the school is expecting to receive \$62,000 in additional state foundation payment for building maintenance calculated at approximately \$180 per student. The school is also expecting to receive Title I, Title II, Part B, and additional Federal funding in the amount of approximately \$174,000 in the 2014-2015 school year.

In July 2014, the school received an SDE Grant in the amount of \$317,000 and Kahn Grants in the amount of \$82,000, which are helping to control cost of teaching supplies and computer equipment that would previously been covered by the General Fund.

Through increasing revenue and controlling expenses, the Board and Directors are predicting a minimum of \$100,000 increase in net assets in FY 2014-2015.

## **NOTE 10      Deferred Revenue**

During fiscal year end June 30, 2014, the school received two cash deposits totaling \$1,524,550 from the J.A. & K Albertson Foundation to implement the Idaho P-TECH Network described in Note 8. As of June 30, 2014, the school had spent \$464,866 of the award. The remaining amount of \$1,059,684 is being deferred in the financial statements and will be recognized in fiscal year June 30, 2015.

## **ADDITIONAL INFORMATION**



## INDEPENDENT AUDITOR'S REPORT ON ADDITIONAL INFORMATION

To the Board of Directors  
Forrest M. Bird Charter Schools, Inc.  
Sandpoint, Idaho 83864

We have audited the financial statements of Forrest M. Bird Charter Schools, Inc. (an Idaho non-profit corporation) as of and for the years ended June 30, 2014 and 2013, and have issued our report thereon dated October 21, 2014, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole.

The schedules of functional expenses and Schedules I – VI are presented for the purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Hayden Ross, PLLC*

Moscow, Idaho  
October 21, 2014

**FORREST M. BIRD CHARTER SCHOOLS, INC.**  
**Sandpoint, Idaho**

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**SCHEDULE I - STATEMENT OF FUNCTIONAL EXPENSE**  
**For the Year Ended June 30, 2014**

	<u>Program (Instructional)</u>	<u>Administrative (Support)</u>	<u>Non-Instruction</u>	<u>Total</u>
Salaries	954,613	382,972	-	1,337,585
Benefits	311,381	106,630	-	418,011
Purchased services	59,679	503,997	-	563,676
Supply-materials	15,918	65,178	-	81,096
Capital objects	-	-	103,223	103,223
Debt service interest	-	145,443	-	145,443
Depreciation and amortization	128,514	-	-	128,514
Total Expense	<u>\$ 1,470,105</u>	<u>\$ 1,204,220</u>	<u>\$ 103,223</u>	<u>\$ 2,777,548</u>

**FORREST M. BIRD CHARTER SCHOOLS, INC.**  
**Sandpoint, Idaho**

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**SCHEDULE I - STATEMENT OF FUNCTIONAL EXPENSE (Continued)**  
**For the Year Ended June 30, 2013**

	<u>Program (Instructional)</u>	<u>Administrative (Support)</u>	<u>Non-Instruction</u>	<u>Total</u>
Salaries	873,174	252,996	-	1,126,170
Benefits	277,386	68,036	-	345,422
Purchased services	43,905	308,336	-	352,241
Supply-materials	36,439	27,342	-	63,781
Insurance	-	-	27,421	27,421
Debt service interest	-	148,769	-	148,769
Depreciation	128,514	-	-	128,514
Total Expense	<u>\$ 1,359,418</u>	<u>\$ 805,479</u>	<u>\$ 27,421</u>	<u>\$ 2,192,318</u>

**FORREST M. BIRD CHARTER SCHOOLS, INC.**  
Sandpoint, Idaho

**SCHEDULE II - BALANCE SHEET**  
June 30, 2014

	General	Special Revenue	Totals (Memorandum Only)
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
Assets:			
Cash	1,037,332	-	1,037,332
State support program receivable	82,713	-	82,713
Other receivable	-	-	-
Prepaid expenses	21,515	-	21,515
Due from other funds	-	1,077,724	1,077,724
Total assets	1,141,560	1,077,724	2,219,284
Deferred outflow of resources:			
	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 1,141,560</b>	<b>\$ 1,077,724</b>	<b>\$ 2,219,284</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>			
Liabilities:			
Accounts Payable	93,546	18,916	112,462
Accrued payroll and benefits	223,266	-	223,266
Due to other funds	1,077,724	-	1,077,724
Total liabilities	1,394,536	18,916	1,413,452
Deferred inflows of resources:			
Deferred revenue	-	1,058,808	1,058,808
Fund balance (deficit):			
Unrestricted	(252,976)	-	(252,976)
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>	<b>\$ 1,141,560</b>	<b>\$ 1,077,724</b>	<b>\$ 2,219,284</b>

**FORREST M. BIRD CHARTER SCHOOLS, INC.**  
Sandpoint, Idaho

**GENERAL FUND**  
**SCHEDULE III - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
For the Year Ended June 30, 2014

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Local:			
Interest	385	-	385
Other	22,457	58,000	(35,543)
Total local	<u>22,842</u>	<u>58,000</u>	<u>(35,158)</u>
State:			
Base support	1,682,704	1,556,455	126,249
Transportation	115,652	120,125	(4,473)
Benefit support	182,996	211,791	(28,795)
Lottery	6,572	-	6,572
Other state support	100,894	5,571	95,323
Total state	<u>2,088,818</u>	<u>1,893,942</u>	<u>194,876</u>
Total revenues	<u>2,111,660</u>	<u>1,951,942</u>	<u>159,718</u>
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Salaries	924,613	1,062,125	137,512
Benefits	311,381	329,137	17,756
Purchased services	38,921	34,848	(4,073)
Supply-materials	13,535	140,900	127,365
Capital objects	-	11,000	11,000
Debt Retirement	-	249,570	249,570
Insurance	-	4,000	4,000
Total instruction	<u>1,288,450</u>	<u>1,831,580</u>	<u>543,130</u>
Support:			
Salaries	199,639	-	(199,639)
Benefits	69,375	-	(69,375)
Purchased services	271,673	121,000	(150,673)
Supply-materials	37,466	-	(37,466)
Total support	<u>578,153</u>	<u>121,000</u>	<u>(457,153)</u>
Capital objects	<u>7,904</u>	<u>-</u>	<u>(7,904)</u>
Contingency reserve	<u>-</u>	<u>90,000</u>	<u>90,000</u>
Total expenditures	<u>1,874,507</u>	<u>2,042,580</u>	<u>168,073</u>
Excess(deficit) of revenues over(under) expenditure	237,153	(90,638)	327,791
Other financing sources (uses):			
Transfer out	<u>(279,939)</u>	<u>-</u>	<u>495,864</u>
Change in fund balance	(42,786)	<u>\$ (90,638)</u>	<u>\$ (47,852)</u>
Fund balance - beginning of year	<u>(210,190)</u>		
Fund balance - end of year (budget basis)	(252,976)		
Adjustments to conform with GAAP:			
Capitalized capital objects	71,310		
Depreciation expense	<u>(65,073)</u>		
Net Assets - End of Year (GAAP)	<u>\$ (246,739)</u>		

**FORREST M. BIRD CHARTER SCHOOLS, INC.**  
Sandpoint, Idaho

**GENERAL FUND**  
**SCHEDULE IV - STATEMENT OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL**  
For the Year Ended June 30, 2014

	Actual	Budget	Variance Favorable (Unfavorable)
<b>INSTRUCTION:</b>			
Secondary			
Salaries	924,613	1,062,125	137,512
Benefits	311,381	329,137	17,756
Purchased services	38,921	34,848	(4,073)
Supply-materials	13,535	140,900	127,365
Capital Objects	-	11,000	11,000
Debt Retirement	-	249,570	249,570
Insurance	-	4,000	4,000
Total Secondary	1,288,450	1,831,580	543,130
Total Instruction	\$ 1,288,450	\$ 1,831,580	\$ 543,130
<b>SUPPORT:</b>			
Special Education Support Services Program			
Purchased services	11,091	-	(11,091)
Instructional Improvement Program			
Purchased services	3,458	-	(3,458)
School Administration Program			
Salaries	155,965	-	(155,965)
Benefits	57,042	-	(57,042)
Purchased Services	38,830	-	(38,830)
Supply-materials	20,712	-	(20,712)
Total School Administration Program	272,549	-	(272,549)
Maintenance - Student Occupied Buildings			
Salaries	24,021	-	(24,021)
Benefits	8,280	-	(8,280)
Purchased services	50,262	-	(50,262)
Supply-materials	15,503	-	(15,503)
Total Maintenance - Student Occupied Building:	98,066	-	(98,066)
Maintenance Grounds			
Salaries	19,653	-	(19,653)
Benefits	4,053	-	(4,053)
Purchased services	500	-	(500)
Supply-materials	740	-	(740)
Total Maintenance Grounds	24,946	-	(24,946)
Maintenance - Grounds			
Purchased services	7,258	-	(7,258)
Supply-materials	511	-	(511)
Total Maintenance - Grounds	7,769	-	(7,769)
Transportation			
Purchased services	160,274	121,000	(39,274)
<b>TOTAL SUPPORT:</b>			
Salaries	199,639	-	(199,639)
Benefits	69,375	-	(69,375)
Purchased services	271,673	121,000	(139,582)
Supply-materials	37,466	-	(36,215)
Total Support	\$ 578,153	\$ 121,000	\$ (444,811)

**FORREST M. BIRD CHARTER SCHOOLS, INC.**  
Sandpoint, Idaho

**SPECIAL REVENUE FUNDS**  
**SCHEDULE V - COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
For the Year Ended June 30, 2014

	State Technology Grant	Driver's Education	IDEA Part B School-Age	Khan Grant	PTech	Miscellaneous Grant	Total
<b>REVENUES</b>							
Local:							
Other Local	309	-	-	-	464,866	13,516	478,691
State:							
Other Support	19,486	8,125	-	-	-	-	27,611
Federal:							
Restricted	-	-	41,302	-	-	-	41,302
Total revenues	<u>19,795</u>	<u>8,125</u>	<u>41,302</u>	<u>-</u>	<u>464,866</u>	<u>13,516</u>	<u>547,604</u>
<b>EXPENDITURES</b>							
Instruction:							
Salaries	-	-	30,000	-	-	-	30,000
Purchased Services	-	8,125	11,302	-	1,331	-	20,758
Supplies-materials	-	-	-	-	-	2,383	2,383
Total instruction	<u>-</u>	<u>8,125</u>	<u>41,302</u>	<u>-</u>	<u>1,331</u>	<u>2,383</u>	<u>53,141</u>
Instruction improvement program							
Purchased services	-	-	-	-	2,465	-	2,465
School administration:							
Salaries	-	-	-	-	183,333	-	183,333
Benefits	-	-	-	-	37,255	-	37,255
Purchased services	-	-	-	-	214,440	8,678	223,118
Supplies-materials	-	-	-	-	10,013	204	10,217
Total school administration	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>445,041</u>	<u>8,882</u>	<u>453,923</u>
Building care program:							
Purchased services	5,330	-	-	-	-	1,073	6,403
Supplies-materials	15,640	-	-	677	-	1,178	17,495
Total building care program	<u>20,970</u>	<u>-</u>	<u>-</u>	<u>677</u>	<u>-</u>	<u>2,251</u>	<u>23,898</u>
Pupil activity transportation program							
Purchased services	-	-	-	-	338	-	338
Capital Objects	<u>37,955</u>	<u>-</u>	<u>-</u>	<u>41,673</u>	<u>15,691</u>	<u>-</u>	<u>95,319</u>
Total expenditures	<u>58,925</u>	<u>8,125</u>	<u>41,302</u>	<u>42,350</u>	<u>464,866</u>	<u>13,516</u>	<u>629,084</u>
Excess (deficiency) of revenues over expenditures	(39,130)	-	-	(42,350)	-	-	(81,480)
Other financing sources:							
Transfer in	<u>39,130</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,130</u>
Change in fund balance	-	-	-	(42,350)	-	-	(42,350)
Fund balance-beginning of year	-	-	-	42,350	-	-	42,350
Net assets-end of year	-	-	-	-	-	-	-
Adjustments to conform with GAAP:							
Capitalized capital objects	-	-	-	-	-	7,158	7,158
Depreciation expense	-	-	-	-	-	(3,816)	(3,816)
Net Assets - End of Year (GAAP)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,342</u>	<u>\$ 3,342</u>

**FORREST M. BIRD CHARTER SCHOOLS, INC.**  
**Sandpoint, Idaho**

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**SCHOOL PLANT FACILITY FUND**  
**SCHEDULE VI - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**For the Year Ended June 30, 2014**

<b>REVENUES</b>		-
<b>EXPENDITURES</b>		
Debt service principal	103,892	
Debt service interest	<u>136,916</u>	
Total expenditures		<u>240,808</u>
Excess (deficiency) of revenues over(under) expenditures		(240,808)
Other financing sources (uses):		
Transfer in	<u>240,808</u>	
Total other financing sources (uses)		240,808
Change in fund balance		-
Fund balance-beginning of year		<u>-</u>
Fund balance-end of year (budget basis)		-
Adjustments to conform with GAAP:		
Capitalized capital objects		4,862,712
Loan proceeds		(3,960,000)
Principal payments		627,303
Depreciation expense		(787,848)
Accrued interest		<u>(8,527)</u>
Net assets - end of year (GAAP)		<u>\$ 733,640</u>